

FEHBP Information for Re-employed Annuitants

Annuity Continued during Reemployment

If you are enrolled under the FEHB Program as an annuitant and are reemployed under conditions that do not terminate your annuity, your employing office needs to transfer your enrollment from your retirement system to your employing agency. Your FEHB premiums will be deducted from your pay as an employee, not from your annuity. (This applies only if you want to participate in premium conversion; see below.)

Can Reemployed Annuitants Participate in Premium Conversion?

Yes, effective with the first pay period beginning on or after October 1, 2000, you will be covered automatically by [premium conversion](#), provided you are employed:

- In a position that conveys FEHB eligibility; and
- By an agency covered by premium conversion.

Your employing office will contribute the employer share of the FEHB premium in the same manner as that for other employees.

You may waive participation in premium conversion within 60 calendar days from the date you become eligible for premium conversion. The waiver will be effective on the first day of the first pay period after the date your employing office receives it. In this case, you will keep your FEHB coverage as an annuitant and your premiums will be deducted on an after-tax basis.

Your participation in premium conversion ends on the last day of the last pay period as an employee. When you separate from active service, your FEHB enrollment must be transferred back from your employing agency to your retirement system.

Your right to continue FEHB as an annuitant following your period of reemployment is unaffected.

FEGLI Information for Re-employed Annuitants

Annuity Continued during Reemployment - General Information

Waivers

If you waived any or all life insurance during your prior employment, that waiver remains in effect, unless the break in service is at least 180 days. If the break in service is 180 days or over, you can elect more life insurance.

Annuity Continued during Reemployment - Basic Insurance

When you are reemployed in a position that does not exclude coverage, the Basic insurance you carried as an annuitant is suspended.

You automatically get Basic insurance just like any other employee. Withholdings are made from your pay, even if you are over age 65. In addition, even if you are over age 65 your life insurance coverage as an employee will not reduce. The post-65 reductions can only affect retirees. Your employing office makes the Government contribution instead of the Office of Personnel Management.

The amount of your Basic insurance is based on your salary as an employee, before reduction of pay by the amount of your annuity. [Accidental Death & Dismemberment](#) is included.

Annuity Continued during Reemployment - Option

Annuity Continued during Reemployment - Option A and Option C

When you have Option A and/or Option C as an annuitant and you are reemployed in a position that does not exclude coverage, the Option A and Option C insurance you carried as an annuitant is suspended.

You automatically get Option A and Option C insurance as an employee. There is no need to complete a new SF 2817 Life Insurance Election form. Withholdings are made from your pay, even if you are over age 65. In addition, even if you are over age 65 your life insurance coverage as an employee will not reduce. The post-65 reductions can only affect retirees.

The amount of Option A is \$10,000. Accidental Death & Dismemberment is included. Each multiple of Option C is \$5,000 for a spouse and \$2,500 for an [eligible child](#).

If you do not have Option A or Option C as an annuitant, you can elect it if you have been separated from service for at least 180 days. If separated from service less than 180 days, then any waiver of life insurance done during your prior employment remains in effect.

Annuity Continued during Reemployment - Option B

Option B is handled differently from Basic, Option A, and Option C.

When you have Option B as an annuitant and are reemployed in a position that does not exclude coverage, you must be given the opportunity within 31 days of reemployment to choose whether to keep Option B as an annuitant or have it as an employee.

If you wish to keep it as an annuitant, you don't have to take any action. Withholdings will continue to be made from your annuity (unless you are over age 65 and have elected Full Reduction).

If you want to have Option B as an employee, you must complete a Life Insurance Election form ([SF 2817](#)) within 31 days after reemployment. You must include all the insurance you want, not just Option B. The amount of Option B coverage will be based on your salary as an employee before reduction of pay by the amount of your annuity. Withholdings will be made from your pay.

If you don't have Option B as an annuitant, you can elect it as an employee if you have been separated from service for at least 180 days. If separated from service less than 180 days, then any waiver of life insurance done during your prior employment remains in effect. If you have fewer than 5 multiples of Option B as an annuitant and elect to have it as an employee, you can increase the number of multiples, unless your break in service is less than 180 days.

Notifying the Retirement System of Your Reemployment

Your employing office must notify the applicable retirement system immediately upon your reemployment, so your retirement system can immediately suspend any insurance withholdings from your annuity.

The form to use for this notification is OPM Form 1482 (Agency Certification of Status of Reemployed Annuitants). This form is used for CSRS, FERS, and, unless notified otherwise, the other retirement systems listed in "[Qualifying Retirement Systems](#)".

If you retired under the System for Police and Firemen of the District of Columbia, the appropriate office to notify is the Retirement Division, Office of Pay and Retirement, Room 200, 410 E Street, NW, Washington, DC 20001.

Effect of a New Waiver

Basic Insurance

If you file a waiver of Basic insurance as a reemployed annuitant, you also cancel the suspended Basic insurance and all Optional insurance you had as an annuitant. You cannot get it back when you leave employment.

Option A and Option C

If you file a waiver of Option A or Option C as a reemployed annuitant, you also cancel the suspended Option A or Option C insurance you had as annuitant. You cannot get it back when you leave employment.

Option B

If you elect to have Option B as an employee you can later file a waiver to "cancel" the Option B coverage. This does not cancel the suspended Option B insurance you had as an annuitant. Instead, it restores it.

To waive your Option B coverage held as an employee, you should complete a Life Insurance Election form (SF 2817). Your employing office should note in the "Remarks" section: "Reemployed Annuitant; Retirement Claim Number _____; Option B coverage held as an employee cancelled. Reinstate suspended Option B coverage held as an annuitant."

Your employing office must [notify your retirement system](#), so that it can start making the withholdings again from your annuity.

If you wish to cancel the suspended annuitant coverage, you must notify your retirement system in writing.

Notification of Retirement System

When you file a waiver as a reemployed annuitant, your employing office must enter the words "Reemployed Annuitant" and your retirement claim number on the Life Insurance Election form (SF 2817).

Your employing office should process the SF 2817 in the usual way, and send a photocopy of the SF 2817 to your retirement system with a short transmittal letter noting the action you took.

If You Are In Nonpay Status While Reemployed

If you complete 12 months of nonpay status while reemployed, your suspended annuitant coverage will become effective again. Any coverage you had newly elected as an employee will terminate (you can convert this coverage to an individual contract).

Your employing office must notify your retirement system that your employee-held coverage has terminated, so the retirement system can reinstate the coverage you held as an annuitant and begin withholding premiums from your annuity. If you return to pay and duty status, your employing office must notify your retirement system to suspend the annuitant coverage again.

Filing a Designation of Beneficiary, Assignment Form, or Court Order during Reemployment

When you file a Designation of Beneficiary, assignment form, or court order as a reemployed annuitant, you should submit it to the Office of Personnel Management, Retirement Operations Center, P.O. Box 45, Boyers, PA 16017-0045. If you have insurance coverage through your reemployment (premiums are withheld from your pay, not your annuity), you may also file your Designation with your employing office. Your employing office must enter the words "Reemployed Annuitant" and your retirement claim number on the form and send it to OPM.

Resources:

[CSRS Retirement Facts](#)

[FERS Facts](#)

[Windfall Elimination Provision](#)